

House File 2444

S-5132

1 Amend House File 2444, as passed by the House, as
2 follows:

3 1. Page 1, after line 30 by inserting:

4 <Sec. _____. Section 452A.3, subsection 1, unnumbered
5 paragraph 1, Code 2014, is amended to read as follows:

6 Except as otherwise provided in this section and in
7 this division, until ~~June 30~~ December 31, 2014, this
8 subsection shall apply to the excise tax imposed on
9 each gallon of motor fuel used for any purpose for the
10 privilege of operating motor vehicles in this state.

11 Sec. _____. Section 452A.3, subsection 1A, Code 2014,
12 is amended by striking the subsection and inserting in
13 lieu thereof the following:

14 1A. a. Except as otherwise provided in this
15 section and in this division, beginning January 1,
16 2015, this subsection shall apply to the excise taxes
17 imposed on each gallon of motor fuel used for any
18 purpose for the privilege of operating motor vehicles
19 in this state.

20 b. An excise tax is imposed on each gallon of
21 ethanol blended gasoline in an amount equal to the sum
22 of sixteen cents per gallon plus five percent of the
23 statewide average retail price of a gallon of ethanol
24 blended gasoline. The portion of the excise tax that
25 is based on the statewide average retail price shall
26 be computed by the department and adjusted annually on
27 January 1 by calculating five percent of the statewide
28 average retail price of a gallon of ethanol blended
29 gasoline, exclusive of federal excise taxes and the
30 sixteen-cent per gallon portion of the state excise
31 tax, for the twelve-month period beginning October
32 1 and ending September 30 immediately preceding the
33 calendar year in which the adjusted tax rate will take
34 effect.

35 c. An excise tax is imposed on each gallon of
36 nonethanol blended gasoline in an amount equal to the
37 sum of sixteen cents per gallon plus five percent of
38 the statewide average retail price of a gallon of
39 nonethanol blended gasoline. The portion of the excise
40 tax that is based on the statewide average retail
41 price shall be computed by the department and adjusted
42 annually on January 1 by calculating five percent of
43 the statewide average retail price of a gallon of
44 nonethanol blended gasoline, exclusive of federal
45 excise taxes and the sixteen-cent per gallon portion
46 of the state excise tax, for the twelve-month period
47 beginning October 1 and ending September 30 immediately
48 preceding the calendar year in which the adjusted tax
49 rate will take effect.

50 d. The department shall adopt rules prescribing

1 the process for computing the portion of the excise
2 tax under paragraph "b" that is based on the statewide
3 average retail price of a gallon of ethanol blended
4 gasoline and the portion of the excise tax under
5 paragraph "c" that is based on the statewide average
6 retail price of a gallon of nonethanol blended
7 gasoline.

8 Sec. _____. Section 452A.3, subsections 1B and 1C,
9 Code 2014, are amended by striking the subsections.

10 Sec. _____. Section 452A.3, subsection 3, Code 2014,
11 is amended to read as follows:

12 3. a. For the privilege of operating motor
13 vehicles or aircraft in this state, there is imposed
14 an excise tax on the use of special fuel in a motor
15 vehicle or aircraft.

16 (1) (a) The tax Beginning January 1, 2015, the
17 rate of the excise tax on special fuel for diesel
18 engines of motor vehicles is twenty-two and one-half an
19 amount equal to the sum of eighteen cents per gallon
20 plus five percent of the statewide average retail price
21 of a gallon of special fuel for diesel engines of motor
22 vehicles. The portion of the excise tax that is based
23 on the statewide average retail price shall be computed
24 by the department and adjusted annually on January 1
25 by calculating five percent of the statewide average
26 retail price of a gallon of special fuel for diesel
27 engines of motor vehicles, exclusive of federal excise
28 taxes and the eighteen-cent per gallon portion of the
29 state excise tax, for the twelve-month period beginning
30 October 1 and ending September 30 immediately preceding
31 the calendar year in which the adjusted tax rate will
32 take effect.

33 (b) The department shall adopt rules prescribing
34 the process for computing the portion of the excise tax
35 that is based on the statewide average retail price of
36 a gallon of special fuel for diesel engines of motor
37 vehicles.

38 (2) The rate of tax on special fuel for aircraft is
39 three cents per gallon.

40 (3) On all other special fuel, unless otherwise
41 specified in this section, the per gallon rate is
42 the same as the motor fuel tax on nonethanol blended
43 gasoline.

44 b. Indelible dye meeting United States
45 environmental protection agency and internal revenue
46 service regulations must be added to fuel before or
47 upon withdrawal at a terminal or refinery rack for that
48 fuel to be exempt from tax and the dyed fuel may be
49 used only for an exempt purpose.

50 Sec. _____. Section 452A.3, Code 2014, is amended by

1 adding the following new subsection:
2 NEW SUBSECTION. 6A. By December 15 of each year,
3 the director shall cause an advisory notice to be
4 published in the Iowa administrative bulletin and
5 in a newspaper of general circulation in this state,
6 stating the rate of excise taxes established pursuant
7 to subsection 1A and subsection 3, paragraph "a",
8 subparagraph (1), that will take effect the following
9 January 1.

10 Sec. _____. Section 452A.3, subsection 4, as amended
11 by 2014 Iowa Acts, Senate File 2338, section 3, is
12 amended to read as follows:

13 4. For compressed natural gas used as a special
14 fuel, the rate of the excise tax is ~~twenty-one cents~~
15 ~~per gallon~~ the rate imposed for nonethanol blended
16 gasoline under subsection 1A, paragraph "c".

17 Sec. _____. Section 452A.3, subsection 4A, as enacted
18 by 2014 Iowa Acts, Senate File 2338, section 4, is
19 amended to read as follows:

20 4A. For liquefied natural gas used as a special
21 fuel, the rate of the excise tax is ~~twenty-two and~~
22 ~~one-half cents per gallon~~ the rate imposed for special
23 fuel for diesel engines of motor vehicles under
24 subsection 3, paragraph "a", subparagraph (1).>

25 2. Page 2, after line 25 by inserting:

26 <Sec. _____. 2005 Iowa Acts, chapter 178, section 41,
27 subsection 3, is amended to read as follows:

28 3. REPEAL. This section is repealed effective July
29 1, ~~2015~~ 2025.

30 Sec. _____. APPLICABILITY — INVENTORY
31 TAX. Notwithstanding section 452A.85, persons who have
32 title to motor fuel, ethanol blended gasoline, undyed
33 special fuel, compressed natural gas, liquefied natural
34 gas, or liquefied petroleum gas in storage and held for
35 sale on the effective date of an increase in the rate
36 of excise tax imposed on motor fuel, ethanol blended
37 gasoline, undyed special fuel, compressed natural
38 gas, liquefied natural gas, or liquefied petroleum
39 gas pursuant to this Act shall not be subject to an
40 inventory tax on the gallonage in storage as provided
41 in section 452A.85 as a result of any tax increase due
42 to implementation of this division of this Act.

43 Sec. _____. EFFECTIVE DATES.

44 1. Except as provided in subsection 2, this
45 division of this Act takes effect January 1, 2015.

46 2. The section of this division of this Act
47 amending section 452A.64 takes effect July 1, 2014.>

48 3. Title page, line 5, before <retroactive> by
49 inserting <effective date and>

50 4. By renumbering as necessary.

TIM L. KAPUCIAN
